MINUTES OF THE SPRINGVILLE CITY WATER BOARD

Tuesday, December 8, 2015 6:30 a.m. 110 South Main Street Springville, Utah 84663

ATTENDANCE

Councilmember Secretary

Richard Child, excused Marcie Clark

Board Members City Staff

Alton Beck Brad Stapley – Public Works Director Nile Hatch Shawn Barker – Water Superintendent

Calvin Crandall Rollin Hotchkiss Rod Andrew

The minutes from the November 10, 2015 meetings were reviewed. Mr. Beck made the motion to approve the minutes. Mr. Hatch seconded. All were in favor.

Mr. Stapley distributed 3 pages, which the Water Board has already seen and discussed: Water Board Recommendation (Two Different Rate Structures), Water Board Recommendation (with tiered rates), and Why Should I Connect to PI (incentives and fees)? The City Council asked us to remove the PI meter fee. The culinary meter fee is \$270. All of this has already been taken to City Council, but there are a few issues that the Water Board still needs to discuss. Mr. Barker has looked into dividing up the West Fields into 4 different areas. They would focus on each area and connect the meters, which would allow the City to get people on PI sooner. The Water Board discussed high density areas such as Camelot homes, where there are Home Owner's Associations (HOA). The homes are stacked two-deep. There are times when the meter boxes are behind fences and some home owners may have to run their water line through their neighbor's yard. There are public utility easements (PUE), but we don't allow private utilities in a PUE. We need to consider hardship cases. Mr. Beck asked about placing a lateral through the common areas and have the City pay for it. Mr. Stapley stated that we could do that, but it would be expensive. The cost savings and payback don't always make sense. Many of the yards are small and they won't use much water. The payback a year is \$25 on average. It could be only \$5 a year for those smaller yards.

Mr. Barker explained the Spring Brook Villas area, where all the irrigation water is on a master meter (culinary water currently). There are laterals into each lot for irrigation water, but the proposal is to hook into the master meter.

Another subdivision north of Spring Brook Villas has some shared driveways. The meter is in a small section of shrubs surrounded by concrete. Mr. Hotchkiss asked how that happened. Why didn't the City tell the resident they would have to connect in the future? Mr. Andrew said Spanish Fork City had a boring tool when they installed their PI. It went under the road and sidewalk, around 20 feet.

Mr. Stapley explained that the pay back for some will be really difficult. It could take twenty years or more. Mr. Stapley asked "Is it fair, if you go back to page 1 of the handout, if I live in an area where PI is available, but I have a driveway over the lateral and it's going to cost \$500-\$1000 just to get water to my yard? If it's not, should we write in the policy a way for homeowners to opt out? What should their rate be?"

Mr. Barker estimates about 400 homes will have driveway/concrete issues. The second page of the handout figures about that many homes. Mr. Stapley asked "Do we want to write a policy that includes an "out" for those with hardships?" Mr. Beck argued that if we give them an "out", we're just delaying the problem. It's just a temporary solution. Mr. Barker said we're installing single services now as the standard, so we won't have this issue in the future. Mr. Stapley stated that this is a minimal issue. It is a multi-million dollar business and the water system will

only lose \$10,000 a year. From the City Council's point of view, the success of the PI is not about how many people connect, it's about how many people are happy in the connection process.

Mr. Beck continued to state the possible problems with residents or future property owners who choose to connect in the future. Will that information be recorded with the property? Mr. Beck sees two options; give them an out, or the City pays to connect them. Mr. Stapley stated that the City could end up spending around \$200,000 to go through driveways or lose \$10,000 a year forever.

Mr. Crandall suggested the City run new PI services from the main line in the street rather than dig up driveways. Mr. Barker said it's about a \$2,500 cost to run a new service. Mr. Stapley recommended to let it go.

Mr. Hotchkiss argued that it doesn't "smell right" that some will not have to connect because of what the developer or City did, but now he'll have to pay more. He thinks some residents will claim discrimination and not want to pay 110% because they can't afford to connect.

Mr. Stapley distributed another sheet: The Future of Pressurized Irrigation. We're looking at 12,566 users at build out in the next 20 years. These hardships were not discussed in depth with City Council. City Council has directed the Water Board to figure out how to make the hardship cases work. Mr. Hotchkiss suggested we leave the rates at 100%. Mr. Stapley wasn't sure our billing program Caselle can change rates like that. It will probably take a manual change.

Mr. Hotchkiss asked how we decide the hardships - people who can't connect because of driveways or because they live on a back lot and it will be too expensive. What about those that just don't want to. Where is the breakoff? Mr. Stapley said that is what needs to be defined in the policy.

Mr. Andrew asked about figuring out average costs for areas. Could we charge everyone the same if they're in the same area? Mr. Andrew thinks the City will get into trouble if they don't differentiate.

Mr. Hotchkiss suggested figuring it by physical description or percentage of average cost to install it. But then everyone's estimate will be different. Mr. Stapley said he will be the "bad guy" and enforce the policy.

If we have 500 driveways at \$500, that's \$250,000 the City will have to pay.

Mr. Hotchkiss summarized three ways to look at hardships: 1) physical, 2) cost, and 3) percentage of average cost to hook up. Mr. Stapley stated that we figured it will cost \$460 per household to connect to PI.

Mr. Beck still thinks the City needs to step up and make it all even, so everyone pays the rate. Mr. Stapley said we're already subsidizing \$250,000 to connect the first 1,000 homes. So if we do what Mr. Beck is suggesting, we'll be adding another \$250,000 to get the system up and running.

Mr. Hotchkiss likes Mr. Hatch's idea of going with the physical description. The other two approaches have potential for abuse.

Mr. Stapley would like to get more data before making a decision. Mr. Hotchkiss isn't sure having more data will be helpful. Mr. Barker mentioned the budget for all this is around \$800,000 and we've been talking about spending \$500,000 just to hook up the residents. He still has to pay for meters. Mr. Hatch brought up another potential problem – the City could spend all that money to get the infrastructure in and people will still opt out of using PI.

Mr. Stapley talked about the Burt Springs Pump Station. We installed a Variable Frequency Drive (VFD) in the pump station a few years ago. Before the VFD, we collected around 850 gpm. After the VFD, we collected up to 1,800 gpm at times. But the spring also fluctuated from 1,000 gpm to 1,800 gpm. The Springville Irrigation Company has a takeout up above the spring collection area, where they divert water to Mapleton, Highline Ditch, and down a 24" pipe. When the creek is dry, the flows drop significantly. We have shallow springs with possible surface water influence. That is death to the spring. The state requires that if you have surface water influence in a spring source or any water source, you have to treat it, which we do nowhere in our system. The City needs to test it while there's water in the creek. We could possibly lose Burt Springs as a culinary water source. This could be a two million dollar problem; equivalent to a new Canyon Road Well. Mr. Beck asked about the houses above the

 collection area and what kind of contamination they put into the ground. Mr. Stapley had all those homes connect to the sewer years ago. Mr. Barker said we sample for contaminants periodically and it has been ok. The State is aware that those homes are there. Mr. Stapley has a \$560,000 project on his desk right now to expand Burt Springs, to put in a new pumping station and get better collection zones and a new force main to the tanks. But it doesn't make sense to do that if it is surface water influenced. Mr. Hotchkiss asked about high spring run-off and if that would affect the water. Mr. Stapley didn't know.

Mr. Beck would like to know what needs to be done with getting more members on the Water Board, so we are compliant with City Code. He recommended Quinn Dallin a while ago. Members don't have to be in the Water or Engineering field. It might be good to have a regular homeowner that isn't familiar with the water system. Mr. Stapley will check with Cl. Child and Administration. We might be able to put a notice out in the newsletter.

Mr. Beck moved to adjourn. Mr. Andrew seconded. All were in favor.

Adjourn – This meeting adjourned at 7:36 a.m.